

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE: MIDAMERICAN ENERGY COMPANY AND IOWA LAKES ELECTRIC COOPERATIVE	DOCKET NO. SPU-99-35
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**ORDER GRANTING PETITION FOR MODIFICATION
OF SERVICE AREA BOUNDARY**

(Issued February 17, 2000)

On December 30, 1999, MidAmerican Energy Company (MidAmerican) and Iowa Lakes Electric Cooperative (Iowa Lakes) filed a joint petition for modification of service area boundaries pursuant to 199 IAC 20.3(9). The petition included a service area agreement between MidAmerican and Iowa Lakes in which they mutually agree their service territories should be revised to reflect the area designated in the agreement. MidAmerican and Iowa Lakes request the Utilities Board (Board) transfer to Iowa Lakes the service territory in Section 4, Cherokee County, described as follows:

The Northeast Quarter of the Northeast Quarter
(NE1/4NE1/4) of Section Four, Township 90 North,
Range 40 West of the 5th P.M., Cherokee County, Iowa.

In support of the modification, MidAmerican and Iowa Lakes state that MidAmerican currently serves one customer, C-Lect Pigs, Inc., in the area proposed to be transferred. The customer's distribution line is tied to a transmission line that

MidAmerican intends to remove. For MidAmerican to continue serving the customer, it would need to construct a new distribution line that would be in close proximity to Iowa Lakes' facilities. Iowa Lakes would be able to provide service to the affected customer without interruption. Iowa Lakes has agreed to pay MidAmerican a sum of \$4,000 for the service area and existing customer. Iowa Code § 476.25 (1999) provides in pertinent part:

Contracts between electric utilities to designate service areas and customers to be served by the electric utility or for the exchange of customers between electric utilities, when approved by the board, shall be valid and enforceable and shall be incorporated into the appropriate exclusive service areas established pursuant to subsection 1 of this section. The board shall approve a contract if it finds that the contract will eliminate or avoid unnecessary duplication of facilities, will provide adequate electric service to all areas and customers affected, will promote the efficient and economical use and development of the electric systems of the contracting electric utilities, and is in the public interest.

The Board will grant the MidAmerican and Iowa Lakes joint petition for modification of service area boundaries subject to complaint or investigation. MidAmerican and Interstate have alleged facts which establish the proposed modification is in the public interest, will prevent unnecessary duplication of facilities, provide adequate electric service to all customers affected, and will promote the efficient and economical use of the electrical systems, pursuant to Iowa Code § 476.25 (1999).

IT IS THEREFORE ORDERED:

The joint petition for modification of service area boundaries filed by MidAmerican Energy Company and Iowa Lakes Electric Cooperative on December 30, 1999, is granted effective the date of this order subject to complaint or investigation.

UTILITIES BOARD

/s/ Allan T. Thoms

/s/ Susan J. Frye

ATTEST:

/s/ Judi K. Cooper
Executive Secretary, Deputy

/s/ Diane Munns

Dated at Des Moines, Iowa, this 17th day of February, 2000.